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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, NOVEMBER 2, 1999

APPLICATION OF

APPALACHIAN POWER COMPANY

CASE NO. PUE990716

To revise its fuel factor pursuant to Va. Code § 56-249.6

ORDER ESTABLISHING 1999-2000 FUEL FACTOR PROCEEDING

On October 20, 1999, Appalachian Power Company ("Appalachian" or "the Company") filed with the Commission written testimony, exhibits, and proposed tariffs intended to decrease its fuel factor from \$1.482¢/kWh to \$1.325¢/kWh effective with bills rendered on and after December 1, 1999. The proposed fuel factor is based upon estimated annual fuel expenses inclusive of the cost of SO₂ emission allowances, which are not included in the current Definitional Framework of Fuel Expenses for Appalachian. Therefore, an appropriate interim factor is \$1.297¢/kWh, which is based upon annual fuel expenses exclusive of SO₂ emission allowance estimated costs.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUE990716.
- (2) A hearing is hereby scheduled for 10:00 a.m., December 15, 1999, in the Commission's Second Floor Courtroom for the

purpose of receiving evidence related to the establishment of Appalachian's fuel factor for the 12-month period beginning December 1, 1999.

- (3) A fuel factor of 1.297¢/kWh is hereby effective, on an interim basis, with bills rendered on and after December 1, 1999.
- (4) Appalachian shall make copies of its prefiled testimony and exhibits available to any person desiring such a copy. Requests for copies shall be directed to Michael J. Quinan, Woods, Rogers & Hazlegrove, P.L.C., 823 East Main Street, Suite 1200, Richmond, Virginia 23219.
- (5) On or before November 22, 1999, any person desiring to participate as a Protestant, as defined in Rule 4:6 of the Commission's Rules of Practice and Procedure ("S.C.C. Rules"), shall file with the Clerk, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, an original and twenty (20) copies of a notice of protest as provided in S.C.C. Rule 5:16(a) and serve a copy on counsel for the Company as follows: Michael J. Quinan, Woods, Rogers & Hazlegrove, P.L.C., 823 East Main Street, Suite 1200, Richmond, Virginia 23219.
- (6) On or before November 29, 1999, each Protestant shall file an original and twenty (20) copies of a Protest (S.C.C. Rule 5:16(b)) and of the prepared testimony and exhibits

Protestant intends to present at the hearing, and serve two (2) copies of each on Appalachian and all other Protestants.

- (7) On or before December 7, 1999, the Commission Staff shall investigate the reasonableness of the Company's request, file a report of its investigation with the Clerk, and serve a copy on the Company and all Protestants.
- (8) On or before December 13, 1999, Appalachian shall file an original and twenty (20) copies of all testimony it expects to introduce in rebuttal to all direct prefiled testimony and exhibits. Additional rebuttal evidence may be presented without prefiling, provided it is in response to evidence which was not prefiled but elicited at the time of hearing and provided further the need for additional rebuttal evidence is timely addressed by motion during the hearing and leave to present said evidence is granted by the Commission. A copy of the prefiled rebuttal evidence shall be served upon all other Protestants.
- (9) The Company shall respond to written interrogatories within five (5) days after receipt of the same. Protestants shall respond to the written interrogatories of the Company, other Protestants and Staff within five (5) days after receipt of the same. Protestants shall provide the Company, other Protestants, and Staff with any work papers or documents used in preparation of their filed testimony promptly upon request.

Except as modified above, discovery shall be in accordance with Part VI of the S.C.C. Rules.

(10) On or before November 15, 1999, Appalachian shall cause a copy of the following notice to be published as display advertising (not classified), on one occasion in newspapers of general circulation throughout its service territory:

NOTICE TO THE PUBLIC OF THE 1999-2000 FUEL FACTOR PROCEEDING FOR APPALACHIAN POWER COMPANY

On October 20, 1999, Appalachian Power Company ("Appalachian") filed an application with the State Corporation Commission for a decrease its fuel factor from \$1.482¢/kWh to \$1.325¢/kWh effective with bills rendered on and after December 1, 1999. An interim fuel factor of \$1.297¢/kWh will become effective with bills rendered on and after December 1, 1999.

Pursuant to § 56-249.6 of the Code of Virginia, the Commission has scheduled a public hearing to commence at 10:00 a.m. on December 15, 1999, in the Commission's Second Floor Courtroom, Tyler Building, 1300 East Main Street, Richmond, Virginia, for the purpose of receiving evidence related to the establishment of Appalachian's fuel factor. Persons desiring a copy of the testimony and exhibits filed by the Company shall direct their requests to Michael J. Quinan, Woods, Rogers & Hazlegrove, P.L.C., 823 East Main Street, Suite 1200, Richmond, Virginia 23219.

All testimony and exhibits filed by Appalachian are available for public inspection at the Commission's Document Control Center, First Floor, Tyler Building, Richmond, Virginia. Any interested person desiring to make a statement at the hearing should appear in the Commission's courtroom at 9:45 a.m. on the hearing date and identify himself or herself to the bailiff.

On or before November 22, 1999, persons desiring to participate as Protestants, as defined in Rule 4:6 of the Commission's Rules of Practice and Procedure ("S.C.C. Rules"), to present evidence and crossexamine witnesses, shall file with the Clerk of the Commission an original and twenty (20) copies of a notice of protest, as described in S.C.C. Rule 5:16 (a) and shall serve a copy upon Appalachian. Service upon Appalachian shall be directed to Michael J. Quinan, Woods, Rogers & Hazlegrove, P.L.C., 823 East Main Street, Suite 1200, Richmond, Virginia 23219.

On or before November 29, 1999, each Protestant shall file an original and twenty (20) copies of a Protest (S.C.C. Rule 5:16(b)) and an original and twenty (20) copies of the prepared testimony and exhibits Protestant intends to present at the public hearing, and serve two (2) copies each upon Appalachian and each other Protestant. All written communications to the Commission regarding this proceeding shall identify Case No. PUE990716 and shall be directed to Joel H. Peck, Clerk, State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218.

APPALACHIAN POWER COMPANY

(11) On or before November 15, 1999, Appalachian shall serve a copy of this Order on the Chair of the board of supervisors of each county (or equivalent officials in counties having alternate forms of government) in which the Company

offers service, and on the mayor or manager of every city and town (or an equivalent official in cities and towns having alternate forms of government) in which the Company offers service. Service shall be made by either personal delivery or by first-class mail to the customary place of business or the residence of the persons served.

(12) At or before the commencement of the hearing scheduled herein, Appalachian shall provide proof of service and notice as required in this Order.